

[2 August, 2001]

RAJYA SABHA

**Winding up of some defence projects**

†1258. SHRI BACHANI LEKHRAJ: Will the Minister of DEFENCE be pleased to state:

- (a) whether it is a fact that Government are considering to wind up some defence projects;
- (b) if so, the reasons therefor; and
- (c) whether Government have taken any step in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI KRISHNAM RAJU): (a) There is no proposal under consideration of the Government to wind up some defence projects.

(b) and (c) Questions do not arise.

**Setting up of Defence Procurement Board**

+1259. SHRIMATI JAYAPRADA NAHATA:

SHRI JHUMUK LAL BHENDIA:

Will the Minister of DEFENCE be pleased to state:

- (a) whether Government are constituting a Defence Procurement Board with a view to bring transparency in arms deals and would come out with the Review Report of the R.P. Bagai Committee;
- (b) if so, by when; and
- (c) if not, the scheme being formulated to check every source of middlemanship in arms deal?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI KRISHNAM RAJU): (a) to (c) Government had constituted a Group of Ministers (GOM) on 17th April 2000 to thoroughly review the national security system in its entirety and in particular, to consider the recommendations of the Kargil Review

---

†Original notice of the question was received in Hindi.

Committee, and to formulate specific proposals for implementation. The GoM consisted of the Home Minister, the Raksha Mantri, the External Affairs Minister and the Finance Minister. The GoM had after careful consideration of various issues formulated a comprehensive Report titled 'Reforming the National Security System', in which *inter alia* creation of a Defence Procurement Board has been recommended. This recommendation of the GoM has been approved by the Government on May 11, 2001. The implementation of the recommendations of the GoM approved by the Government has already commenced. In order to ensure that the recommendations are implemented in a time bound manner, the implementation process is being closely monitored by the Government. Since the One Man Fact Finding Committee headed by Shri R.P. Bagai, Joint Secretary (Establishment) & Chief Vigilance Officer in the Ministry of Defence was an internal Committee of the Ministry of Defence, its Report has not been made public. Further, with a view to ensure absolute transparency and probity in Defence Procurements, the Government has in consultation with the Comptroller & Auditor General of India (C&AG) and the Central Vigilance Commission (CVC) institutionalized, a procedure for a mandatory and time bound scrutiny of all major defence deals exceeding Rs. 75 crores with effect from 21.9.2000. Accordingly, details of all purchase/procurement decisions/award of works of a value exceeding Rs. 75 crores will in the normal course be sent to the C&AG within a month of such a decision having been taken and in any case, not later than three months. The C&AG will have all such cases scrutinized as expeditiously as possible and render a report to the Government. The Chief Vigilance Officer in the Ministry of Defence will scrutinize these reports of the C&AG to ascertain if there is any case for initiating disciplinary/vigilance/legal action in the matter. Thereafter, wherever necessary, a formal reference will be made to the CVC by the CVO, Ministry of Defence. Besides, in accordance with the standing instructions issued by the CVC, details of all contracts above Rs. 2 crores are being sent to the CVC regularly on a quarterly basis. Copies of these reports are now also being sent to the C&AG. As such, besides the establishment of

[2 August, 2001]

RAJYA SABHA

Procurement Board, the Government has initiated a series of measures to make the procurement process more transparent.

#### **Revision of family pension**

1260. MISS FRIDA TOPNO: Will the Minister of DEFENCE be pleased to refer to the reply to Unstarred Question 1181 given in the Rajya Sabha on 7th March, 2001 and state:

(a) whether the Sena Scva Corps Abhilckh (Yantrik Parivahan), ASC Records (MT), Bangalore has implemented the order issued on 14th March, 2000 regarding family pension/ special family pension to pre 1st January, 1996 family pensioners;

(b) if so, the details thereof; and

(c) if not, the reasons for the inordinate delay by the said office in implementation and releasing the revised scales to its special family pensioners?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI KRISHNAM RAJU): (a) to (c) According to instructions, revision of special family pension/liberalised family pension under 14.3.2000 order is to be carried out by pension disbursing authorities and not by Record offices. ASC Records (MT), Bangalore received 311 applications with regard to revision of special family pension/liberalised family pension and same have been forwarded by them to concerned pension disbursing authorities after recording the due endorsement.

#### **Upgradation of MI-35 Helicopter**

1261. DR. ALLADI P. RAJKUMAR: Will the Minister of DEFENCE be pleased to state:

(a) whether MI-35 Helicopter gunships are being upgraded with "Night Visions";

(b) if so, the details thereof; and